

**FINAL REPORT
OF THE
NORTHWEST INDIANA TRANSPORTATION
STUDY COMMISSION**



**Indiana Legislative Services Agency
200 W. Washington Street, Suite 301
Indianapolis, Indiana 46204**

October, 2005

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NORTHWEST INDIANA TRANSPORTATION STUDY COMMISSION

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I. STATUTORY AND LEGISLATIVE COUNCIL DIRECTIVES

The Indiana General Assembly enacted legislation (P.L. 31-2003, SECTION 1, as amended by P.L. 28-2004, SECTION 192) directing the Commission to do the following:

(1) Monitor the development of commuter transportation and rail service in the 1Lowell-Chicago and Valparaiso-Chicago corridors.

(2) Study all aspects of regional mass transportation and road and highway needs in Lake County, Porter County, LaPorte County, St. Joseph County, and Elkhart County.

The Legislative Council also assigned the following additional responsibility to the Commission (Legislative Council Resolution 05-01 (2005)):

- Study northwest Indiana transportation, infrastructure, and economic development issues.

II. INTRODUCTION AND REASONS FOR STUDY

Transportation is a fundamental consideration for the economic vitality of northwest Indiana. Indiana's role as a crossroads State makes this generally true, but the proximity of northwest Indiana to Chicago and Lake Michigan confers special importance on transportation factors for northwest Indiana. The General Assembly has recognized this special significance with several legislative initiatives supporting transportation development in northwest Indiana, including provision for the Northwest Indiana Commuter Transportation District, establishment of the Northwestern Indiana Regional Planning Commission, and, most recently, establishment of the Northwest Indiana Regional Development Authority.

The Commission was established in order that the General Assembly might remain well informed about ongoing progress and emerging issues involved with transportation development in northwest Indiana.

III. SUMMARY OF WORK PROGRAM

The Commission met five times at sites in northwest Indiana: once at the Valparaiso City Hall, once at the Gary/Chicago International Airport, and three times in Portage at the offices of the Northwestern Indiana Regional Planning Commission.

At the first meeting, the Commission heard testimony from representatives of the Northern Indiana Transportation District (NICTD), operator of the South Shore passenger railroad, and the Northwestern Indiana Regional Planning Commission.

At the second meeting, the Commission heard testimony concerning the Northwest Indiana Regional Development Authority and the Indiana Economic Development Corporation. Concerning a bill draft that would reestablish the Commission, the Commission voted to introduce PD 3053 by unanimous voice vote with ten members present.

At the third meeting, the Commission heard testimony from the Indiana Department of Transportation on the Department's ten-year *Major Moves* transportation plan and the Toll Road District.

At the fourth meeting, the Commission heard testimony from the Indiana State Police on Toll Road speed enforcement, on the Regional Bus Authority, and on economic development cooperation between Michigan City, LaPorte, and Purdue North Central.

At the fifth and final meeting, the Commission deliberated on the Commission's final report. This final report was adopted unanimously in a roll call vote at the final meeting of the Commission on October 31, 2005, with 13 members in attendance.

IV. SUMMARY OF TESTIMONY

Northwest Indiana Regional Development Authority

On July 1, 2005, the Northwest Indiana Regional Development Authority (RDA) was established by P.L. 214-2005, SECTION 73 (HEA 1120). The principal mission of the RDA is to provide project funding and other development assistance in Lake and Porter Counties for:

- the Gary/Chicago International Airport;
- the Northern Indiana Commuter Transportation District (NICTD), operator of the South Shore passenger railroad;
- the Regional Bus Authority; and
- the Shoreline Development Commission.

The RDA is also authorized to fund economic development projects in Lake and Porter Counties.

On September 27, 2005, the Commission was briefed by John Clark, Chairman of the RDA. The first meeting of the RDA board had been held the night before on September 26th and the second meeting in the morning of the 27th. Due to the fact that the RDA board had only met these two times, Mr. Clark talked in general terms about what the RDA hopes to accomplish. But he was able to tell the Commission that the public reception at the RDA's initial meeting showed tremendous optimism and a willingness to do things in new ways.

With respect to the future work of the RDA, Mr. Clark focused on two primary topics: formulation of a business plan and adherence to high ethical standards. The RDA's authorizing statute requires the RDA to submit a comprehensive strategic development plan to the Office of Management and Budget for approval by January 1, 2008. Mr. Clark could not offer comment on the substantive aspect of what this plan might eventually look like, but he did indicate that project plans submitted to the RDA by candidates seeking assistance would be evaluated rigorously. He also stressed to the Commission that he intended to establish the highest ethical standards at the RDA.

Highways

The Northwestern Indiana Regional Planning Commission (NIRPC), established by IC 36-7-7.6-3 for Lake, Porter, and LaPorte Counties, is charged with maintaining a process of comprehensive planning, programming, and coordination for these counties in the areas of transportation, economic development, and environmental policy. See <http://www.nirpc.org>. In line with this charge, the Commission heard testimony from NIRPC Executive Director John Swanson on NIRPC's recently developed Connections 2030 Transportation Plan, a multi-modal regional transportation plan with a twenty-year time horizon. The Plan outlines goals and objectives that guide the selection of projects. An accompanying five-year Transportation Improvement Program includes a short-term project list intended to implement the 2030 Transportation Plan.

Commissioner Thomas Sharp, Indiana Department of Transportation, outlined the administration's *Major Moves* transportation plan for the Commission. The plan features six major highway projects throughout Indiana, three of which will have a significant impact on northwest Indiana:

- Toll Road modernization;
- US 31 improvements; and
- Hoosier Heartland Corridor, linking Fort Wayne and Lafayette.

Commissioner Sharp elaborated further on issues relating to the Toll Road. He told the Commission that the Department of Transportation will be very aggressive in moving to the EZPASS electronic toll system, hoping to accomplish the installation of the system by January 1, 2007. As the the EZPASS system is installed, the traditional toll barriers will be removed until only one or two toll barriers per location remain. Commissioner Sharp also sketched for the Commission how the process of leasing the Toll Road might conceivably work. Another topic given distinct emphasis was the part of plan calling for toll modernization. Commissioner Sharp pointed out that the tolls on the Indiana Toll Road have not been revised since 1985. The rate increase proposed by the plan is projected to raise \$770 million over the next ten years. The money would be used for improvements to the Toll Road, state highway and local road projects in Toll Road counties, and to fund the Northwest Indiana Regional Development Authority.

The Commission also heard from Major Thomas Melville, Field Enforcement Division, Indiana State Police, on traffic enforcement along Interstate 65 from Indianapolis to Gary and on Highway 31 from Indianapolis to Highway 20. Major Melville reviewed for the Commission the distribution of personnel assigned to patrol duty in each of the seven State Police districts that these segments of highway traverse. In addition, his presentation included information on special enforcement projects funded by traffic safety grants, the new Administrative Enforcement Program, and the increasing use of marked patrol cars and motorcycles in traffic enforcement. The Administrative Enforcement Program assigns administrative personnel to patrol duty several days per month. Major Melville also described for the Commission the significant cooperation between the State Police and county sheriff departments and other first responders from communities along the specified highways.

Passenger Rail Transportation

The Commission heard from John Parsons, Director of Marketing and Planning for the Northern Indiana Commuter Transportation District (NICTD), on the current state of NICTD's business and its plans for the future. NICTD operates the South Shore passenger railroad from South Bend in St. Joseph County through LaPorte, Porter, and Lake Counties into Chicago. NICTD's enabling legislation is found at IC 8-5-15.

Mr. Parsons began by profiling NICTD's ridership, which has seen recent steady increases and has benefitted in addition from the surge in gas prices in 2005. He then turned to NICTD's top priority for the future: capital modernization. Mr. Parsons explained that NICTD's fixed assets are nearing 100 years in service and that its rolling stock averages twenty years in service. This means increased maintenance costs and greater probability of unexpected service disruptions from asset failures. The capital modernization plan seeks to make improvement in three areas: to enhance safety, to improve reliability, and to improve service capability. Safety can be enhanced by replacing deteriorating bridges. Reliability can be improved by installing a new overhead power distribution system, by modernizing the signal system, and by upgrading the rolling stock. And NICTD can increase its service capability by reducing travel time and increasing capacity. Travel time may be reduced by installation of high-level boarding platforms and by appropriate track realignments in urban areas that constitute time bottlenecks. NICTD's proposed West Lake corridor expansion would increase its capacity with two lines, one extending through central Lake County to Valparaiso and one extending south to Lowell. This project is in the advanced planning stages to prepare the project for scoring by the Federal Transit Administration.

Air Transportation

The Commission did not hear testimony in 2005 specifically addressing air transportation in northwest Indiana. However, at the September 27 meeting held at the Gary/Chicago International Airport, Airport Director Paul Karas did respond to an impromptu question as to

whether there are any plans to bring the South Shore line into the Airport terminal. Mr. Karas explained that bringing the South Shore line into the Airport terminal cannot be justified financially, insofar as there appears to be no current utilization of the South Shore to get to and from the Airport. In the long term, on the other hand, he remains open to the possibility of integrating Amtrak into the terminal expansion, depending on whether financial projections could justify that development.

Bus Transportation

Dan Gardener, Deputy Director of NIRPC, presented a proposal for two legislative changes requested by the Lake Porter Regional Bus Authority (RBA). The main request would expand the membership of the RBA Citizens Advisory Council. In response Rep. Ayres explained that he will introduce a bill of local government changes in the upcoming session and asked Mr. Gardner for a memorandum detailing the requested changes.

Economic Development

Tim Sanders, Northwest Regional Director of the Indiana Economic Development Corporation (IEDC), appeared before the Commission and described some of the typical interactions that he and his staff have been having with business principals and managers who have expressed an interest in site locations in northwest Indiana. He also indicated that the IEDC Northwest Region is now beginning an initiative to attract businesses located in Chicago to northwest Indiana.

John Swanson, Executive Director of NIRPC, spoke briefly on The Marquette Plan, a Lake Michigan shoreline redevelopment plan proposed by First District Congressman Pete Visclosky. He told the Commission that while NIRPC is not involved The Marquette Plan, there is contemplated a Phase II of the Plan in which NIRPC does expect to have some part to play.

The Commission also heard about cooperative efforts in LaPorte County in a joint presentation from Mayor Chuck Oberlie, Michigan City, Mayor Leigh Morris, LaPorte, and Chancellor James Dworkin, Purdue University North Central. Mayor Oberlie and Mayor Morris talked about their determination to overcome the historical rivalry between Michigan City and LaPorte. Instead, they have worked to attract economic development and to cooperate on public works projects throughout LaPorte County, motivated by the belief that everyone in LaPorte County benefits when any individual community in LaPorte County is successful. Both mayors praised Chancellor Dworkin for the part he has personally played in facilitating cooperative dialog as well as his leadership in organizing a series of educational seminars on public issues that affect LaPorte County at Purdue University North Central. The success of these efforts has extended to smaller communities throughout LaPorte County, and leaders in LaPorte County are now looking for opportunities for cooperative development on a regional basis.

V. COMMITTEE FINDINGS AND RECOMMENDATIONS

The Commission made the following findings of fact:

1. The Northwest Indiana Regional Development Authority (RDA) is early in its operational career and continues to develop its mission and goals.
2. The Indiana Toll Road requires significant improvements, including the implementation of the EZPASS system and the removal of toll barriers.
3. Under present revenue streams, many of the contemplated state highway projects may not be funded.
4. The Indiana Economic Development Corporation is newly formed, replacing the old Department of Commerce, with the mission of implementing and coordinating economic development activity in Indiana.
5. Demand for Northern Indiana Commuter Transportation District service measured by ridership has substantially increased for both commuter and noncommuter runs. Projections are for continued growth in both revenue categories.
6. The Northwestern Indiana Regional Planning Commission, serving Lake, Porter, and LaPorte Counties, has developed its Connections 2030 Regional Transportation Plan, a multi-modal transportation plan with a twenty-year time horizon. The plan remains contingent on adequate funding.

The Commission made the following recommendation:

- The General Assembly should reestablish the Commission to monitor transportation and economic development in northwest Indiana to discern emerging issues that may be addressed in the legislative process, including:
 - improvements and other issues relating to the Indiana Toll Road;
 - expansion of the Gary/Chicago International Airport;
 - capital improvements by the Northern Indiana Commuter Transportation District;
 - progress of the Northwest Indiana Regional Development Authority; and
 - effectiveness of the Indiana Economic Development Corporation in northwest Indiana.

Accordingly, the Commission voted on September 27, 2005, to introduce PD 3053 in the upcoming legislative session.

WITNESS LIST

Sam Assefa
Deputy Chief of Staff for Economic and Physical Development
Office of the Mayor (Chicago)

John Clark, Chairman
Northwest Indiana Regional Development Authority

James Dworkin, Chancellor
Purdue University North Central

Dan Gardener, Deputy Director
Northwestern Indiana Regional Planning Commission

Jerry Hanas, General Manager
Northern Indiana Transportation Commuter District

Paul Karas, Airport Director
Gary/Chicago International Airport

Mike McPhillips, Director of the Toll Road District
Indiana Department of Transportation

Major Thomas Melville
Field Enforcement Division
Indiana State Police

Mayor Leigh Morris
City of LaPorte

Mayor Chuck Oberlie
Michigan City

John Parsons, Director of Marketing and Planning
Northern Indiana Commuter Transportation District

Belinda Petroskey,
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Tim Sanders, Northwest Regional Director
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